

# II

## STRATEGIC GOAL 2: Enforce Federal Laws and Represent the Rights and Interests of the American People

*48% of the Department's Net Costs support this Goal.*

The heart of the Department of Justice's mission is to enforce federal laws and representing the rights and interests of the American people. The enforcement of federal laws assists societal safety by combating economic crime, and reducing the threat, trafficking, use, and related violence of illegal drugs. Through the enforcement of our laws we protect the rights of the vulnerable such as reducing the threat, incidence, and prevalence of violent crime, including crimes against children, and upholding the civil and constitutional rights of all Americans. Additionally the Justice Department enforces federal civil and criminal statutes, including those protecting rights, safeguarding the environment, preserving a competitive market structure, defending the public fisc against unwarranted claims, and preserving the integrity of the Nation's bankruptcy system.

**FY 2008 Outcome Goal: Dismantle a cumulative total (FY 2003-2008) of 139 organized criminal enterprises**

**Background/Program Objectives:** With respect to groups involved in racketeering activities, the FBI focuses on: the La Cosa Nostra (LCN), Italian, and Balkan organized crime groups; Russian/Eastern European/Eurasian criminal enterprises; and Asian criminal enterprises. Additionally, the FBI investigates Nigerian/West African criminal enterprises that are involved in a myriad of criminal activities.

The FBI, working closely with DOJ prosecutors, will continue its intensive efforts against the threats of the LCN, Italian, Balkan (Albanian), and emerging Asian and Eurasian criminal enterprises. The Transnational Criminal Enterprise Section, through the use of the RICO statute, targets the entire entity responsible for the crime problem, *the organization*.

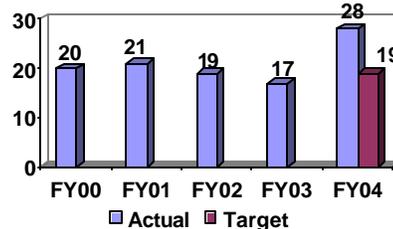
**Performance Measure:** TITLE REFINED: Number of Transnational Criminal Enterprise Dismantlements  
Formerly: Number of Organized Criminal Enterprise Dismantled

**FY 2004 Target:** 19

**FY 2004 Actual:** 28

**Discussion:** The FBI exceeded its FY 2004 target. The most significant accomplishment against the LCN has been the conviction of Bonanno Family Boss Joseph Massino. On July 30, 2004, Massino was convicted on 11 counts, including seven murders, and several counts of racketeering, and was ordered to forfeit \$10.4 million and two restaurants. Massino faces life in prison when he is sentenced, and will also be tried separately for the 1999 murder of a Bonanno capo. Other major accomplishments include the sentencing of Peter Gotti, the alleged boss of

TITLE REFINED: Number of Transnational Criminal Enterprise Dismantlements



**Data Definition:** Dismantlement means destroying the organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

**Data Collection and Storage:** The data source is the FBI's Integrated Statistical Reporting and Analysis Application (ISRAA) database that tracks accomplishments from inception to closure.

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. The data are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data are traced back to source documents contained in FBI files.

**Data Limitations:** Data for FY 2003 and FY 2004 were reviewed as part of a coordinated DOJ effort to standardize reporting on dismantlements (and disruptions). Changes to previous reported statistics have resulted. Further reviews of FY 2000-2002 data will be included in this report in FY 2005. FY 2004 data were collected earlier for this report than in previous years, and may not capture all accomplishments in September 2004. Future reports may reflect updated statistics for this program in FY 2004.

the Gambino LCN Family, and Joel Cacace, acting boss of the Colombo LCN Family, who pleaded guilty on August 13, 2004 to racketeering charges and acknowledged being involved in the 1987 murder of an administrative law judge.

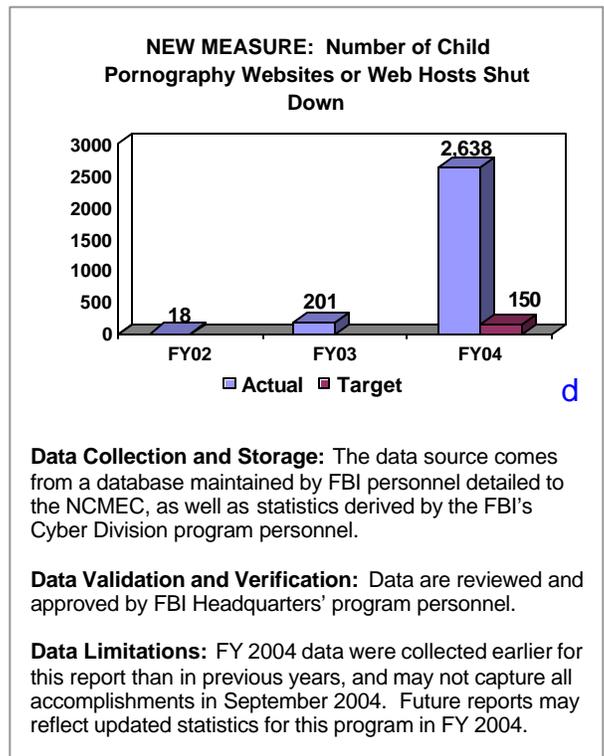
**FY 2008 Outcome Goal: Shut down a cumulative total (FY 2003-2008) of 1,850 child pornography websites or web hosts**

**Background/Program Objectives:** Facilitation of crimes against children through the use of a computer and the Internet is a national crime problem that is growing dramatically. The Innocent Images National Initiative, now part of the FBI's Cyber Division, uses the following performance measures to track its progress in combating the exploitation of children through the Internet. The FBI will continue to make efforts to apprehend those who commit sexual exploitation offenses against children, including those who traffic in child pornography.

**Performance Measure:** NEW MEASURE: Number of Child Pornography Websites or Web Hosts Shut Down  
**FY 2004 Target:** 150  
**FY 2004 Actual:** 2,638

**Discussion:** The FBI has exceeded its FY 2004 target more than ten-fold. This is a result of a significant and unanticipated increase in the tips received by FBI personnel detailed to the National Center for Missing and Exploited Children (NCMEC), after the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003 (the "PROTECT Act") was signed into law. The PROTECT Act imposed civil penalties on Internet service providers who did not report child pornography complaints to the NCMEC.

Complaints received by the NCMEC's CyberTipline that indicate a violation of federal law are referred to the FBI for appropriate action. Often the initial action taken by the FBI is an administrative subpoena, which results in the website or webhost being shut down. As a result, all subsequent year targets will have to be amended to anticipate a future increase in these reports, and thus action by the FBI upon them.



**FY 2008 Outcome Goal: Ensure that 80% of high-crime cities with an ATF presence demonstrate a reduction in violent crime (FY 2003-2008)**

**Background/Program Objectives:** The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) enforces the Federal firearms laws and regulations, as well as provides support to Federal, state, and local law enforcement officials in their fight against crime and violence. The issue of firearms-related violent crime is not a simple problem to combat: it is fueled by a variety of causes that vary from region to region; however, common elements do exist. Chief among these is the close relationship between firearms violence and the unlawful diversion of firearms out of commerce into the hands of prohibited individuals. To break this link, ATF employs the Integrated Violence Reduction Strategy (IVRS), a comprehensive and integrated set of programs involving the vigorous enforcement of the firearms laws, regulation of the firearms industry, and outreach and prevention efforts.

**Performance Measure:** MEASURE REFINED: Percent of High Crime Cities (with an ATF presence) Demonstrating a Reduction in Violent Firearms Crime (when compared to the national average).

**FY 2004 Target:** 50%

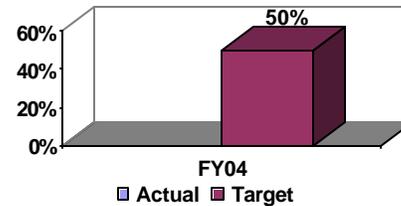
**FY 2004 Actual:** N/A

**Discussion:** ATF was a bureau within the Department of the Treasury in FY 2002, ATF is not reporting any measure for FY 2002 and will report on FY 2003 at the end of next fiscal year. The collaborative efforts of federal, state and local law enforcement agencies nationwide have contributed to significant decreases in violent firearms crime over the last several years, as has been documented by the Bureau of Justice Statistics. ATF is the lead federal agency in these efforts, actively initiating investigations against violent offenders and firearms traffickers and providing key services to its law enforcement partners.

ATF initiated an investigation in January 2003 on several Federal firearms licensees (FFLs) that were allegedly unlawfully selling firearms without requiring requisite Federal paperwork (Firearms Transaction Record) upon the sale of a firearm(s) at gun shows throughout southern Illinois. As a result of the investigation, an FFL was identified as selling firearms in the aforementioned unlawful acts. On May 5, 2004, the licensee pled guilty to illegally selling armor-piercing ammunition. Over 100 firearms valued in excess of \$80,000 were forfeited to the government.

Additionally, ATF began an investigation in July 2001 based on a single trace of a Tec-9 pistol recovered from a Syracuse, New York gang member. It was determined that 21 defendants had conspired together in the trafficking of 70 handguns from points in Atlanta, Georgia, to gang members in Syracuse, New York. The defendants are either members or associates of the Syracuse based Elk Block Gang. The gang recruited

**MEASURE REFINED: Percent of High Crime Cities Demonstrating a Reduction in Violent Firearms Crime**



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**Data Definition:** This measure reflects reductions in violent firearms crime (i.e., murders, assaults, and robberies) in high-crime cities where ATF has a presence. High-crime cities are defined as cities with an ATF presence that have 1,000 or more murder, assaults, or robberies per 100,000 population. ATF presence is defined as the existence of an ATF field or satellite office in the identified city.

**Data Collection:** Data is obtained from the Federal Bureau of Investigation's (FBI) Uniform Crime Report (UCR) database, and it is not available for two years from the end of the calendar year. The measure is intended to show the change in crime resulting from ATF activities over a period of time.

**Data Validation and Verification:** ATF has contracted with an academic researcher to assess and provide recommendations towards improving ATF's firearms related strategic plan and performance measures.

**Data Limitations:** Since data are obtained from the FBI UCR database, and it is not available for two years from the end of the calendar year, FY 2002 data just became available and FY 2003 data will not be available until FY 2005. Since ATF was a bureau within the Department of the Treasury in FY 2002, ATF is not reporting any measure for FY 2002 and will report on FY 2003 at the end of next fiscal year. The measure is intended to show the change in crime resulting from ATF activities over a period of time.

associates to acquire handguns in the Atlanta metropolitan area to be used to protect their drug operation and territory in New York. Sixteen firearms were recovered in Syracuse in crimes relating to shootings, car jackings and drug trafficking crimes. These firearms were purchased from licensed Federal firearms dealers in Atlanta, Georgia and were resold to New York gang members for profit. To date all members of this gang organization have been indicted and arrested by ATF and a majority of the defendants have been sentenced.

***FY 2008 Outcome Goal: Achieve a 10% reduction in the supply of illegal drugs available for consumption in the U.S. (using a 2002 baseline)***

**Background/Program Objectives:** Measuring reduction in the drug supply is a complex process because supply reduction is a reflection of a number of factors. Drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes, and even natural disasters all impact the drug supply at any given time. The Department's strategy focuses on incapacitating entire drug networks by targeting their leaders for arrest and prosecution, by disgorging the profits that fund the continuing drug operations, and by eliminating the international supply sources. These efforts ultimately will have a lasting impact upon the flow of drugs in the United States, although the results are not easily measurable in a single year. Accordingly, DOJ is unable to set interim goals; however, we remain focused on achieving a long-term reduction of 10% by FY 2008.

***FY 2008 Outcome Goal: Dismantle 110 CPOT-linked drug trafficking organizations (FY 2003-2008)***  
***FY 2008 Outcome Goal: Disrupt 140 CPOT-linked drug trafficking organizations (FY 2003-2008)***

**Background/Program Objectives:** The DOJ focuses its drug law enforcement efforts on reducing the availability of drugs by disrupting and dismantling the largest drug supply and related money laundering networks operating internationally and domestically, including those on the Attorney General's Consolidated Priority Organization Target (CPOT) List. The first CPOT List was issued in September 2002, and is updated annually. The List identifies the most significant international drug trafficking and money laundering organizations and those primarily responsible for the Nation's drug supply. The Attorney General has designated the Organized Crime Drug Enforcement Task Forces (OCDETF) Program as the centerpiece of DOJ's drug supply reduction strategy. The Program coordinates multi-agency and multi-jurisdictional investigations, targeting the most serious drug trafficking threats. The OCDETF Program functions through the efforts of the United States Attorneys (USA); elements of the Department's Criminal Division; the investigative, intelligence, and support staffs of the Drug Enforcement Administration (DEA); the FBI; the ATF; the United States Marshal Service (USMS); U.S. Immigration and Customs Enforcement (ICE); the U.S. Coast Guard; and the Internal Revenue Service. The OCDETF agencies also partner with numerous state and local law enforcement agencies.

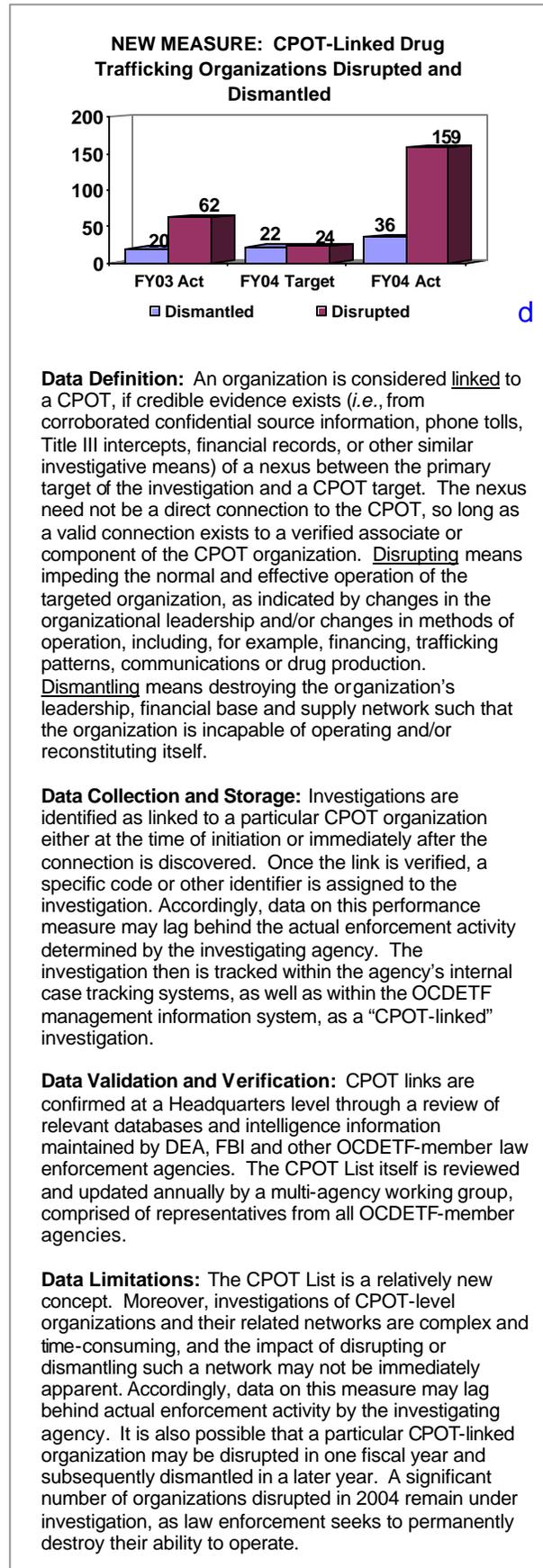
The goal of each OCDETF investigation is to determine connections among related investigations nationwide in order to identify and dismantle the entire structure of the drug trafficking organizations, from international supply and national transportation cells, to regional and local distribution networks. A major emphasis of the Department's drug strategy is to disrupt financial dealings and to dismantle the financial infrastructure that supports these organizations.

**Performance Measure:** NEW MEASURE: CPOT-Linked Drug Trafficking Organizations Disrupted and Dismantled

**FY 2004 Target:** Disrupted: 24  
Dismantled: 22

**FY 2004 Actual:** Disrupted: 159  
Dismantled: 36

**Discussion:** The Department exceeded its targets for Organizations Disrupted and Dismantled. The CPOT List is a relatively new concept, and law enforcement underestimated what could be accomplished in FY 2004. The high number of disruptions reflects a strong commitment on the part of the OCDETF member organizations to focus on the CPOT organizations then related components.



**FY 2008 Outcome Goal: Limit the cumulative value (FY 2003-2008) of stolen intellectual property to \$190 billion**

**Background/Program Objectives:** Intellectual Property Rights (IPR) violations affect U.S. competitiveness and economic viability. The combined U.S. copyright industries and derivative businesses account for more than \$433 billion, or nearly 6% of the total U.S. economy. Theft of trade secrets violations are the most significant intellectual property crime because secrets can be compromised and entire sectors of the U.S. economy can be affected. Software piracy, including both computer and entertainment industry software, is the second most significant intellectual property crime, causing an estimated loss of 118,000 jobs in the computer software industry alone in 2001.

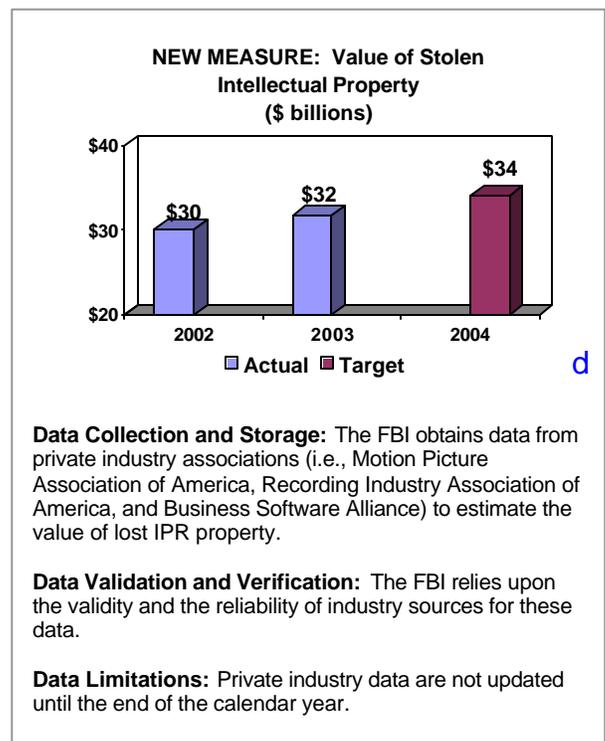
The FBI focuses its resources on IPR violations that have the most impact on national security, namely the theft of trade secrets. Because IPR violations perpetrated in an organized manner have the largest impact on security and industry, the FBI uses the enterprise theory of investigation to build intelligence on enterprises in order to map, and then dismantle, operations related to theft of trade secrets and software piracy. The FBI centralizes some IPR undercover operations to allow headquarters-driven management of multi-jurisdictional international and domestic cases.

**Performance Measure:** NEW MEASURE: Value of Stolen Intellectual Property

**CY 2004 Target:** \$34 billion

**CY 2004 Actual:** Data not available until after 12/31/04.

**Discussion:** The FBI cannot provide FY 2004 actual data at this time because industry reports on economic loss are only provided at the end of the calendar year. Although the FBI has established promising undercover investigations into emerging file-sharing methods, commercial IPR violations continue to grow. The biggest problems facing the IPR program are Warez groups and Peer-to-Peer technology. Warez groups are very sophisticated file-sharing networks of individuals that unlock software protections and share the illegally copied material over password-protected websites that operate 24/7. Peer-to-Peer technology allows file sharing directly from one computer to another, making it very difficult to track users. The FBI continues to encourage field divisions to establish undercover investigations that will penetrate the IPR crime problem, and will provide analytical support to field offices that do not have cyber analysts assigned to provide the support needed.



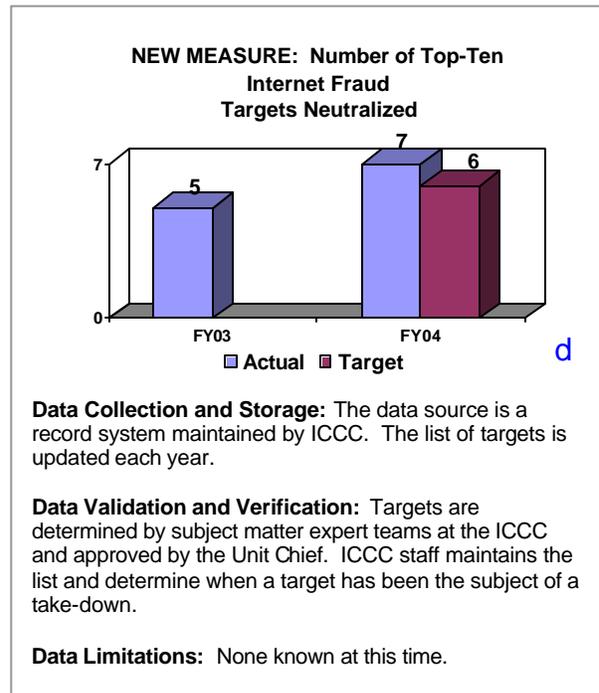
**FY 2008 Outcome Goal: Neutralize a cumulative total (FY 2003-2008) of 35 top-ten Internet fraud targets**

**Background/Program Objectives:** Internet fraud includes any scam that uses one or more components of the Internet to present fraudulent solicitations to prospective victims, conduct fraudulent transactions, or transmit the proceeds of fraud to financial institutions or others that are connected with the scheme. Identity theft and Internet auction fraud are problems that plague millions of U.S. victims, and the threat of illegitimate on-line pharmacies exposes the American public to unregulated, often dangerous, drugs.

The FBI will use synchronized, nation-wide takedowns (i.e., arrests, seizures, search warrants, indictments) to target the most significant perpetrators of on-line schemes. In addition, the FBI and National White Collar Crime Center partnered in May 2000 to support the Internet Crime Complaint Center (ICCC), a national repository for receipt and exchange of federal and industry Internet crimes data. The ICCC allows for an enhanced capability for intelligence development to assist in these multi-divisional investigations.

**Performance Measure:** NEW MEASURE: Number of Top-Ten Internet Fraud Targets Neutralized  
**FY 2004 Target:** 6  
**FY 2004 Actual:** 7

**Discussion:** The FY 2004 target for this measure was exceeded through the FBI's coordination of federal law enforcement efforts to reduce Internet fraud. For example, the Operation Cyber Sweep initiative, orchestrated by the ICCC, in conjunction with FBI field divisions, other federal government agencies, and industry partners, targeted the following types of schemes: international re-shipping schemes, auction fraud, spoofing/phishing, credit card fraud, work-at-home schemes, cyber-extortion, IPR, Computer Intrusions (hacking), economic espionage (Theft of Trade Secrets), International Money Laundering, Identity Theft and a growing list of "traditional crimes" that have migrated on-line. Operation Cyber Sweep included more than 100 investigations, in which more than 125,000 victims lost more than \$100 million. Through these investigations, more than 340 subjects were targeted, resulting in 125 arrests/convictions, over 70 indictments and the execution of more than 90 search/seizure warrants. Although significant in number, these investigations represent only a fraction of the cyber crime problem. This underscores not only the need for sustained law enforcement focus, but the continuous development of expanded industry partnerships as well.



**FY 2008 Outcome Goal: Dismantle a cumulative number of 85 (FY 2003-2008) criminal enterprises engaging in white-collar crime**

**Background/Program Objectives:** Through the White-Collar Crime (WCC) Program the FBI investigates criminals and criminal enterprises that seek illicit gains through fraud and guile. Among the illegal activities investigated are: health care, financial institution, government (housing, defense procurement, and other areas), insurance, securities and commodities, telemarketing, bankruptcy fraud, as well as environmental crimes and money laundering.

United States citizens and businesses lose billions of dollars each year to criminals engaged in non-violent fraudulent enterprises. The globalization of economic and financial systems, technological advances, declining corporate and individual ethics, and the sophistication of criminal organizations has resulted in annual increases in the number of illegal acts characterized by deceit, concealment, or violations of trust. The loss incurred as a result of these crimes is not merely monetary. These crimes also contribute to a loss of confidence and trust in financial institutions, public institutions, and industry.

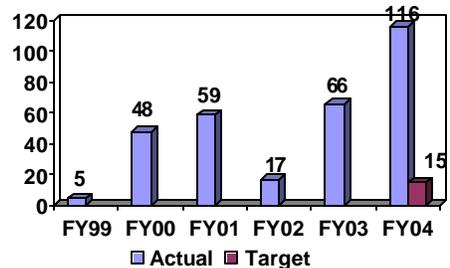
**Performance Measure:** Number of Criminal Enterprises Engaging in White Collar Crimes Dismantled

**FY 2004 Target:** 15

**FY 2004 Actual:** 116

**Discussion:** The FBI surpassed its target for dismantlements in FY 2004. The FBI aims to dismantle the operations of an organized group so that they cannot continue as an entity, thus reducing the level of white-collar crime. FBI's Outpatient Surgery and Identity Theft Initiatives have resulted in the establishment of task forces to address these Health Care Fraud and Financial Institution Fraud crime problems, and enhanced the statistical accomplishments, such as dismantlements for FY 2004.

**Number of Criminal Enterprises Engaging in White Collar Crimes Dismantled**



**Data Definition:** Dismantlement means destroying the organization's leadership, financial base, and supply network such that the organization is incapable of operating and/or reconstituting itself.

**Data Collection and Storage:** The data source is the FBI's ISRAA database. The database tracks statistical accomplishments from inception to closure.

**Data Validation and Verification:** Before data are entered into the system, they are reviewed and approved by an FBI field manager. They are subsequently verified through the FBI's inspection process. Inspections occur on a two to three year cycle. Using statistical sampling methods, data in ISRAA are tracked back to source documents contained in FBI files.

**Data Limitations:** FY 2004 data were collected earlier for this report than in previous years, and may not capture all accomplishments in September 2004. Future reports may reflect updated statistics for this program in FY 2004.

**FY 2008 Outcome Goal: Favorably resolve 90% of Criminal Cases (litigating divisions)**  
**FY 2008 Outcome Goal: Favorably resolve 80% of Civil Cases (litigating divisions)**

**Background/Program Objectives:** Goal Two of the Strategic Plan describes the role of the Department of Justice as the Nation’s chief litigator, representing the U.S. government in court, enforcing Federal civil and criminal statutes, including those protecting civil rights, safeguarding the environment, preserving a competitive market structure, defending the public fisc against unwarranted claims, and preserving the integrity of the Nation’s bankruptcy system. Our efforts fall into two general categories: criminal litigation and civil litigation.

**Performance Measure:** Case resolution for all DOJ litigating divisions: Percent of Criminal Cases favorably resolved; Percent of Civil Cases favorably resolved. (Note: Criminal Division data for FYs 1999 through 2002 are estimates. Actual data are not available due to technical and policy improvements that were not implemented until FY 2003 after the Division standardized its case tracking system.)

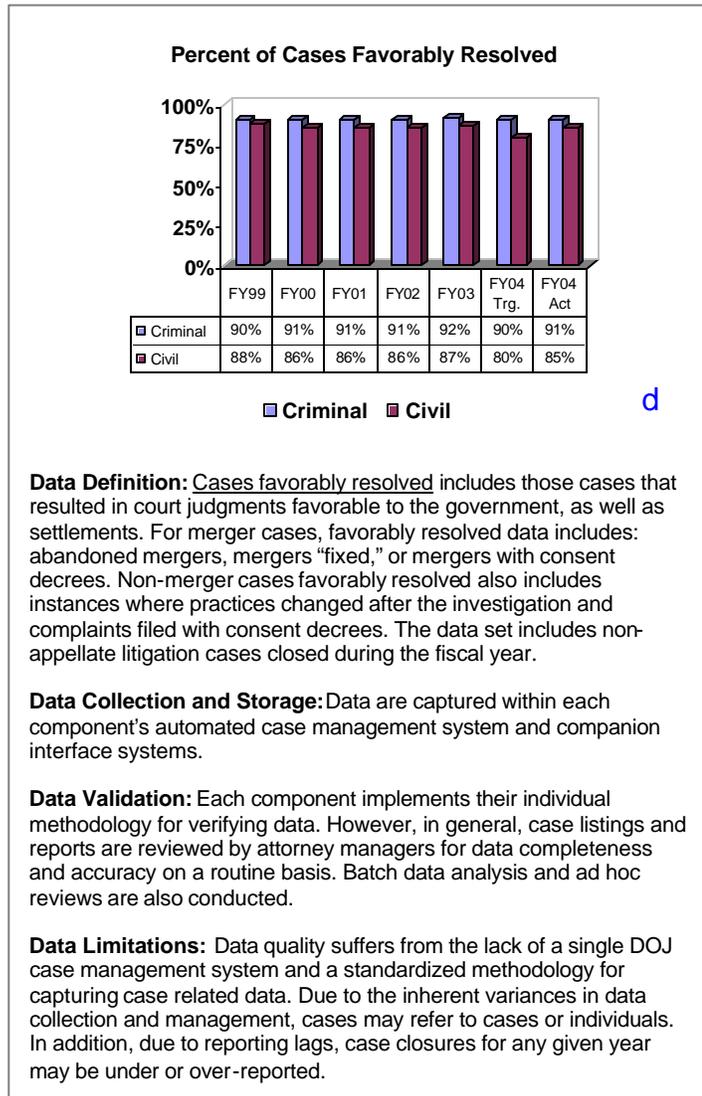
**FY 2004 Target:**

Criminal Cases Favorably Resolved: 90%  
 Civil Cases Favorably Resolved: 80%

**FY 2004 Actual:**

Criminal Cases Favorably Resolved: 91%  
 Civil Cases Favorably Resolved: 85%

**Discussion:** Through the efforts of our litigating attorneys, the Department exceeded FY 2004 targets for the percentage of criminal and civil cases that resulted in court judgments that were favorable to the government. This extraordinary success rate would not be possible without strong partnerships among Department of Justice and other federal, state, and local investigators and prosecutors, bolstered by dedicated support staffs.



**FY 2008 Outcome Goal: Return 54% of assets/funds to creditors in Chapter 7 cases**  
**FY 2008 Outcome Goal: Return 80% of assets/funds to creditors in Chapter 13 cases**

**Background/Program Objectives:** The U.S. Trustee Program (USTP) was established nationwide in 1986 to separate the administrative functions from the judicial responsibilities of the bankruptcy courts and to bring accountability to the bankruptcy system. The USTP acts as the “watchdog” of the bankruptcy system and ensures that parties comply with the law and that bankruptcy estate assets are properly handled. Additionally, the USTP appoints trustees who serve as fiduciaries for bankruptcy estates and administer cases filed under Chapter 7 and Chapter 13. Lastly, the U.S. Trustee regulates and monitors the activities of these private trustees and ensures their compliance with fiduciary standards.

**Performance Measure:** Percent of Assets/Funds Returned to Creditors for Chapter 7 and Chapter 13

**FY 2003 Target:** Chapter 7: 54%  
Chapter 13: 80%

**FY 2003 Actual:** Chapter 7: 57%  
Chapter 13: 85%

**FY 2004 Target:** Chapter 7: 54%  
Chapter 13: 80%

**FY 2004 Actual:** Not Available Until January 2005 for Chapter 7 data and April 2005 for Chapter 13 data because of the need to audit data submitted by private trustees prior to reporting.

**Discussion:** The USTP has a comprehensive oversight process that ensures that cases filed each year are effectively and efficiently moved through the bankruptcy system. The USTP audits and evaluates private trustees, follows-up on deficiencies, ensures that old cases are closed promptly, and initiates action when private trustees fail to comply with their obligations. The USTP tracks the cost of trustee operations, as well as distributions to creditors. Finally, USTP’s civil enforcement and related efforts, by reducing the amount of fraud and abuse in the system, increased potential additional returns to creditors by \$644.6 million in FY 2003.

